



Vega Auto Accessories Private Limited Pre-Campaign Report

Client Profile: Vega Auto Accessories Private Limited, based in Belgaum (Karnataka, India), has been one of the leading manufacturers of helmets and biking accessories in India for 33 years. The Chandak family commenced Vega Auto, the pilot entity of the Vega Group of Companies, in 1982 when they recognized an inadequacy in the supply of helmets in India that met standards set by Bureau of Indian Standards (ISI). Additionally, there was an urgent need to highlight the importance of helmets to the youth due to mounting two-wheeler accidents and deaths. Thus, the motto of safety and quality coupled with fashion assisted Vega Auto in passing safety standards as well as becoming the third largest helmet manufacturers in India. The company currently employs 430 people who engage in making various types of quality helmets such as full-face, off-road or open-face. Vega Auto not only manufactures helmets, but is also an exclusive dealer in India for Airoh and Nexx, luxury European Helmet brands. Vega Auto's website (vegaauto.com) was crafted 16 years ago by I Knowledge Factory Communication Private Limited. Mr. Amit Kadolkar, in house in-charge of online marketing and the IKF team in Pune jointly manage the website.

Market Analysis: India hosts one of the largest two wheeler populations in the world. With helmets being a mandatory requirement in India, the industry has witnessed significant growth over the years. The recent mandate of compulsory helmets for the pillion riders in 2014 has made the industry a lucrative business option for players due to the projected upsurge in sales. According to the government, all helmets that are manufactured in India must pass Bureau of Indian Standards (ISI). However, the local uncertified manufacturers drive the helmet business and only 45% of this market is organized. According to 2013 estimates, the organized industry is valued at Rs. 400 crores.¹ Vega Helmets is a major player in the organized market and is one of the top three ISI certified helmet brands sold in India. Over 33 years of legacy in the market, Vega has carved a niche for itself. It sells its helmets through a network of dealers and a recently instated retail outlet in Goa. The average price of a Vega helmet ranges from \$16 to \$32. Its primary competitors are **Studds, Steelbird, Wrangler, Yamaha** and **Fastrack**. While Studds and Steelbird are established companies competing for similar adventurous biker positioning with Vega, Fastrack and Yamaha are new players who are trying to position themselves within the stylish fashion

¹ 'Helmet Industry'; Press Trust of India; 4th December 2013; 'Titan launches helmets under the astrack Brand (2013)'; The Hindu; Bangalore - <http://www.thehindu.com/todays-paper/tp-business/titan-launches-helmets-under-fastrack-brand/article5419743.ece>



accessory category. Despite the growing retail market, the helmet industry is at a nascent stage in the digital and e-commerce space. To keep pace with the expanding e-commerce bubble in India, Vega and its dealers are catering to the increasing product demand at popular e-commerce giants such as **Flipkart**, **Snapdeal** and **Amazon**. The statistics for projected or historical online sales of helmets and online customer demographics in India are not available. However, online sales at company's official website remain unimpressive.

Vega Auto's target audience consists of two-wheeler riders between the ages of **16-35**. The company's primary target is the male rider but lately they have incorporated helmets designed for women as part of their new product line. According to their Facebook Page statistics, 73% of their page audience is between 16-24 years of age. This gives us a clear understanding of the potential customers of Vega who are active on the Internet. According to Google Analytics, 78% of the website traffic results from organic search ratifying the expected benefits of an Adwords campaign.

Current Marketing: Vega Auto has mostly focused on offline strategies to push sales. It regularly advertises through newspaper ads and ads in a popular magazine called Auto India. It frequently takes part in events such as bike rallies and street events. It also maintains a website called www.vegaauto.in to showcase entire product line and enable online sales. When searched on Google for 'Vega Helmets', the website has **Organic Search Rank of 2/10**. For other popular keywords, Vega features on the first page of search results in varying ranks. Previously, Vega has run **Facebook** boost page campaigns and also implemented an Instagram contest. It has a good following on Facebook and Instagram with regular posts and comments on the pages. As part of online marketing activities, Vega posts pictures of its products and fan entries on Facebook and Instagram. Vega is also present across other social media such as **YouTube**, **LinkedIn**, **Google+** and **Twitter**, but the accounts are not regularly updated. Despite the increased marketing efforts in the digital arena, Vega has never run an Adwords campaign.

Conclusion: Vega Auto's efforts to showcase itself on the social media platforms have enabled them with good brand awareness. However, they are not capitalizing upon the active searches users are making for their brand. To receive online sales as a future payoff, Vega needs to leverage the significant search volume it is receiving to drive traffic to its website. The search and display campaign designed will help them showcase their extensive product line and attract new customers in the online space.



Proposed AdWords Strategy: To establish Vega Auto’s presence in online market space, three goals have been defined which the Adwords Campaign aims to achieve. The campaign’s primary objectives are to **drive traffic to Vega Auto’s official website and increase customer awareness of its products and accessories**. The secondary objective is to **reach new potential customers for Vega helmets to increase sales**. To ensure measureable results for the Adwords campaign we aim to achieve following metrics:

<i>Impressions</i>	<i>CTR</i>	<i>Clicks</i>	<i>CPC</i>
13000-15000	4%	520-600	\$0.11-\$0.19

Table 1: Vega Auto’s projected operational goals

To achieve the projected goals as per *Table 1*, the campaign consists of a Search Network campaign and an experimental Remarketing Display campaign. The **Search Network features 3 campaigns and 11 ad groups**, while the **Display Network includes 1 campaign and 2 ad groups**.

<i>Campaigns</i>	<i>Google Search Network</i>			<i>Google Display Network</i>	
	Sales	Brand awareness	New Customers	Remarketing	
<i>Ad Groups</i>	Helmets Price Types of Helmets Women’s Helmets Colors	Products - Helmets Products - Accessories Products - Popular Brand - Vega Auto	Helmet brands Bike brands	Graphics New Arrivals	
	India	India	India	India	India
<i>Geo-targeting Target</i>	16 - 35 years (men & women)				

Table 2: AdWords: Campaign Summary for Vega Auto

The brand awareness campaign aims to cater to the users who are already familiar with Vega and looking out for its offerings. The ‘Sales’ campaign aims to drive users who are actively searching for helmet options on the web to Vega’s official website. The ‘New Customer’ campaign aims to attract potential customers to Vega’s website; while the display campaign will help in **remarketing** to users who have indicated interest in the website.

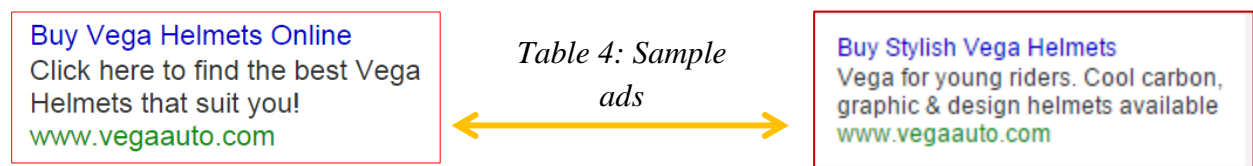
Each ad group will contain keywords shortlisted by using **Google Keyword Tool, Google Trends, Search Volume Estimator, Webmaster Tools and Google Analytics**. The keywords with high search volume will have **exact match type** for increased relevance of ad copy, which will help us reduce our CPC and maintain our click through rate (CTR). The keywords with relatively lower search volume will have phrase and **broad match types** in



order for us to assess the search behavior with the help of **Search Terms Report** and then optimize our strategy based on daily performance. All three campaigns will be geo-targeted to India and refined further depending on location information. The ads will have **mobile, site links, ad rotation, and local extensions** enabled. Table 3 and 4 feature sample keywords and ads for the ‘Brand awareness’ search campaign.

<i>Ad group</i>	<i>Keywords</i>	<i>Negative keywords</i>
Brand - Vega Auto	Vega Auto, Vega Helmets, Buy Vega Helmets, Buy Helmets Online, helmets, bike accessories,	VEGA combs, used helmets, VEGA beauty accessories, VEGA hair brushes,

Table 3: Sample keywords



Budget: We propose to use **manual bidding** in order to efficiently manage our budget over the span of three weeks.

<i>Campaign</i>	<i>Budget % (campaign)</i>	<i>Total Budget</i>	<i>1st Week (20%)</i>	<i>2nd Week (30%)</i>	<i>3rd Week (50%)</i>
Sales	35%	\$87.5	\$17.5	\$26.25	\$43.75
Brand awareness	30%	\$75	\$15	\$22.5	\$37.5
New Customers	20%	\$50	\$10	\$15	\$25
Remarketing (Display campaign)	15%	\$37.5	\$7.5	\$11.25	\$18.75

Table 5: Weekly budget predictions for Vega Auto Accessories Pvt. Ltd.

Table 5 illustrates Vega Auto’s estimated weekly budget allocation. To improve our CTR and minimize CPC, we are focusing 90% of our budget on the search network campaign. A majority of the budget, namely 65% of \$250, is assigned to ‘Helmet sales’ and ‘Brand awareness’ campaigns that fulfill our primary objective to drive traffic to the website. Success of the campaigns will be assessed through Google Analytics data. While the **KPIs** for website traffic will be **page views** and **landing page** metrics; the Brand awareness campaign will be assessed by **sessions, frequency and returning visitor** metrics and increase in **direct searches**. Attracting new customers will be measured through acquisition data. Thus, we aim to evaluate search behavior and create a long term digital strategy for the client on the basis of Google Adwords campaign performance.